



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUL 19 2018

Brian Towne

Oglesby, IL 61348

RE: MUR 7295
Brian Towne

Dear Mr. Towne:

On November 8, 2017, the Federal Election Commission ("Commission") notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). On July 13, 2018, based upon the information contained in the complaint and information provided by respondents, the Commission decided to dismiss allegations that you violated provisions of the Act. The Commission then closed its file in this matter. A copy of the Factual and Legal Analysis, which more fully explains the basis for the Commission's decision, is enclosed.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). If you have any questions, please contact Don Campbell, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Lisa J. Stevenson
Acting General Counsel

A handwritten signature in black ink, appearing to read "Jeff S. Jordan".

BY: Jeff S. Jordan
Assistant General Counsel

Enclosure:
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS**

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3 RESPONDENTS: Peru Federal Savings Bank MUR 7295
4 Jonathan Brandt
5 Brian Towne
6 Citizens for Towne State’s Attorney
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9 **I. INTRODUCTION**

10 This matter was generated by a complaint alleging violations of the Federal Election
11 Campaign Act of 1971, as amended (“the Act”) and Commission regulations by Peru Federal
12 Savings Bank (“PFSB”), Jonathan Brandt, Brian Towne, and Citizens for Towne State’s
13 Attorney (“the Committee”).¹ It was scored as a low-rated matter under the Enforcement
14 Priority System, by which the Commission uses formal scoring criteria as a basis to allocate its
15 resources and decide which matters to pursue.
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17 **II. FACTUAL AND LEGAL ANALYSIS**

18 **A. Factual Background**

19 The Complaint alleges that PFSB, a federally chartered savings association in Peru,
20 Illinois, violated the Act by contributing to the Committee between 2007 and 2016.² Complaint
21 Attachments indicate the Committee disclosed contributions from PFSB in campaign finance
22 reports filed with the Illinois State Board of Elections.³ The Complaint also alleges that

¹ Towne was first elected as State Attorney in LaSalle County, IL, in 2006, and he lost his re-election bid in 2016. Citizens for Towne State’s Attorney is registered with Illinois State Board of Elections as Towne’s campaign committee. He is currently a special prosecutor at the Illinois Office of the State’s Attorney Appellate Prosecutor.

² Compl. at 1. PFSB is a Federal Savings Association chartered and regulated by the Office of the Comptroller of the Currency, and insured by the Federal Deposit Insurance Corporation (FDIC).

³ Compl., Attach. at 1-2. Reports filed with the Illinois State Board of Elections, viewable on its website, show that the Committee reported multiple contributions from PFSB as “Individual Contributions.” See <http://elections.il.gov/>

1 Jonathan Brandt, the Bank's Vice Chairman, directed the Bank to make the contributions.⁴

2 PFSB's response admits that it paid \$2,550 to the Committee from 2007 through 2016,
3 but claims the payments were for entry fees and advertising as a sponsor for the Committee's
4 golf outings, and denies that these payments constitute campaign contributions.⁵ Brandt
5 responds that he never directed or requested that PFSB contribute to Towne's campaign, and
6 that he does not have the power or authority to do so.⁶

7 **B. Legal Analysis**

8 The Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission
9 regulations prohibit any national bank or a corporation organized by authority of any law of
10 Congress from making a contribution or expenditure in connection with any election to any
11 political office, including local, State and Federal offices.⁷ A contribution includes any "direct
12 or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or
13 anything of value" to any candidate or campaign committee in connection to any election to any
14 political office.⁸ The entire amount paid to attend a fundraiser or other political event and the
15 entire amount paid as the purchase price for a fundraising item sold by a political committee is a
16 contribution.⁹ In this matter, the available record, including the Committee's Illinois campaign

⁴ Compl. at 1.

⁵ PFSB Response at 1. The PFSB Response attached copies of cancelled checks from PFSB, payable to Citizens for Brian Towne, dating from 2013 to 2016.

⁶ *Id.* Brandt also states that he and his law firm contributed a total of \$7,119.94 to Towne's campaign over a ten-year period, in the form of attendance fees for campaign fundraiser golf outings, advertising costs at golf outings, and two fundraiser cookouts held at Brandt's home. Brandt Resp. at 1-2.

⁷ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2. These provisions also prohibit directors or officers of national banks from consenting to such contributions. *Id.*

⁸ 52 U.S.C. § 30118(b)(2) (does not include a loan of money by a bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business).

⁹ 11 C.F.R. § 100.53.

1 finance reports, suggest that PFSB's \$2,550 disbursements to the Committee for golf tournament
2 entry fees and advertising constituted contributions, not merely payments.¹⁰

3 Accordingly, because of the low dollar amount at issue, the Commission dismisses the
4 allegations consistent with the Commission's prosecutorial discretion to determine the proper
5 ordering of its priorities and use of agency resources. *Heckler v. Chaney*, 470 U.S. 821, 831-32
6 (1985).

¹⁰ In reports filed with the Illinois State Board of Elections, the Committee reported \$1,900 of contributions from PFSB that were made inside the Statute of Limitations. *See* 28 U.S.C. § 2462. However, documents attached to the PFSB response indicate that PFSB contributed an additional \$150 during that time that was not reported by the Committee, for a total of \$2,050.